

1 Adopt 2 Cal. Code Regs. Section 18247.5 to read:

2 **§ 18247.5. Primarily Formed Committee.**

3 (a) For purposes of Section 82047.5, a recipient committee under Section
4 82013(a) is considered to be formed or existing primarily to support or oppose a
5 candidate or measure if it makes seventy percent or more of its total contributions and
6 expenditures, as calculated pursuant to subdivision (b), on any of the following:

7 (1) A single candidate.

8 (2) A single measure.

9 (3) A group of specific candidates being voted upon in the same city, county, or
10 multicounty election.

11 (4) Two or more measures being voted upon in the same city, county,
12 multicounty, or state election.

13 (b) To calculate the percentage set out in subdivision (a), a committee shall count
14 contributions and expenditures made to support or oppose candidates or measures during
15 the current calendar year and the previous calendar year. A committee shall calculate the
16 percentage quarterly at the end of March, June, September and December. The
17 calculation shall exclude expenditures incurred for the committee's regularly recurring
18 administrative overhead expenses (e.g., rent, utilities, phones, campaign workers' salary)
19 and compliance costs.

20 (c) A new committee shall indicate if it is "primarily formed" on its statement of
21 organization based on the committee's planned activity.

1 (d) A primarily formed committee whose status changes to a general purpose
2 committee, as defined in Section 82027.5 and Regulation 18227.5, shall amend its
3 statement of organization pursuant to Section 84103 to reflect the change.

4 (e) A primarily formed committee that makes no contributions or expenditures
5 supporting candidates or measures during the time period set forth in subdivision (b) shall
6 retain its existing status.

7 (f) This regulation does not apply to a political party committee, as defined in
8 Section 85205. Pursuant to Section 82027.5, a political party committee is a state general
9 purpose committee.

10 NOTE: Authority cited: Section 83112, Government Code.

11 Reference: Sections 82047.5, Government Code.